

BEFORE YOU BORROW

All Michigan Public Schools are required
to become Qualified or seek Prior Approval
before borrowing money for operating expenses.

This includes loans designed to 'bridge the gap' between the
beginning of the educational fiscal year and state aid payments,
regardless of lender.

Qualification can take up to 30 business days from date of application.

It is strongly recommended that all schools apply for qualification even if
they do not anticipate a future need. In the event a financial emergency
occurs, the process will not be delayed.

Schools which anticipate borrowing should file a Qualifying Statement
Application, signed by School Board designated Chief Administrative
Officer, as soon as possible to expedite the process.

Links for further information:

Qualifying Statement Application - Form 3883

http://www.michigan.gov/documents/3883_8840_7.pdf

Application for Prior Approval (for those who are not eligible for Qualification)

http://www.michigan.gov/documents/1435_8839_7.pdf

Contact information:

Local Audit and Finance Division: 517-373-0660 or TREAS_LAFD@michigan.gov

MPEFA: 517-335-0994, TREAS_MPEFA@michigan.gov or www.michigan.gov/mpefa.